

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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August 7, 1954

## Tomato Products for USDA

The U. S. Department of Agriculture on August 6 announced that it contemplates purchasing canned tomatoes and tomato paste from the 1954 pack for distribution in the National School Lunch Program.

Offers may now be submitted for the sale of canned tomatoes packed in No. 10, No. 2½, and No. 2 cans; however, No. 10 cans are preferred.

Offers may be submitted for the sale of tomato paste in No. 10 cans.

Delivery of the canned tomatoes and tomato paste is required during the period September 27 through November 1.

Detailed specifications are being mailed by USDA to all known processors of these products.

Offers should be sent to the Director, Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington 25, D. C., by September 10, for acceptance by September 17.

## Wage-Hour Thrift Plan Regulations Adopted

A new regulation to define a "bona fide" thrift or savings plan, employer contributions to which need not be included in the employees' regular rates of pay for overtime purposes, has been adopted by the Administrator of the Wage-Hour Division. The text of the regulation was published in the *Federal Register* of August 3 and is to become effective 30 days after the date of such publication.

For exclusion of employer contributions to such thrift or savings plans from the "regular rate" computations, it is necessary that the plan be a definite written program adopted by the employer as a result of collective bargaining, that hours of work, production, or efficiency have no effect on the employees' eligibility for participation, that the amount of permissible employee savings be determined by a definite formula based on approved factors, and that employee participation be entirely voluntary. Other essential requirements for qualification of the thrift or savings plan are specified in the regulation.

## Debate on Farm Bill Opens

The Senate this week opened debate on its general farm bill, S.3052, and voting was delayed by prolonged debate on the issue of flexible versus rigid price supports. The Senate has before it the proposal of its Agriculture Committee to authorize marketing orders for grapefruit for canning and freezing.

The Committee proposal would authorize issuance of marketing orders for grapefruit for canning and freezing only after a finding by the Secretary of Agriculture that one-half of the processors by number and volume approve or favor such an order.

Senator Holland (Fla.), a member of the Senate Agriculture Committee and one of the principal advocates of that proposal, has announced that he plans to offer an amendment eliminating the requirement that a marketing order be approved by a majority of the processors by number.

The Committee also proposes to provide for "one or more representatives of processors" to be on the control agency administering a marketing order for grapefruit for canning and freezing.

## Beef and Vegetable Promotion To Have Assistance of USDA

The Secretary of Agriculture has urged food trade organizations to give their full support to a beef promotion campaign to start immediately and continue to Thanksgiving, reaching its high point in a combination beef-and-vegetable drive from September 30 to October 9.

The campaign has been developed and recommended by livestock, vegetable, and trade groups, USDA announced.

The Secretary endorsed and pledged full USDA assistance to the beef promotional program sponsored by the meat industry, and the beef-and-vegetable campaign in which the beef and vegetable industries are combining promotional efforts. The USDA announcement also stated:

"Leaders of both industries are confident that these merchandising activities will increase movement of plentiful supplies of their commodities through regular trade channels.

"As was the case last year, cattle supplies are at a high level, and generous supplies of beef will be available during the coming months. Early fall prospects are for liberal supplies of potatoes, onions, and many other hardy vegetables.

"Secretary Benson said the Department will aid the industry promotional efforts through continued work with food trade groups throughout the country, while informational and educational activities will be intensified to command additional consumer attention. He encouraged food trade leaders to cooperate in the campaign, expressing confidence that the merchandising efforts can contribute significantly to solution of marketing problems of these industries."

## Large Supplies of Major Foods Expected for Summer and Fall

Somewhat larger supplies of major foods will be marketed for civilian use during the rest of the summer and the fall than a year earlier, according to the report, *The National Food Situation*, issued August 2 by the U. S. Department of Agriculture. Food prices are likely to average a little below those of recent months, principally because of heavy farm output.

For the year as a whole, per capita consumption of food probably will average slightly higher than in 1953. Increases are expected for beef and

(Please turn to page 262)

## Room Reservations for 1955 Convention

The N.C.A. next week will mail to members forms on which they may request room reservations for the 1955 Canners Convention in Chicago February 19-23.

### Large Supplies of Major Foods (Concluded from page 261)

veal, poultry, eggs, butter, shortening, cheese, canned and frozen fruit juices, frozen vegetables, and dry beans.

#### Apparent Civilian Per Capita Consumption

Commodity	1954 Prelim. (pounds)	1954 as a percentage of 1935-39 (per cent)	1947-49 1953
Vegetables:			
Canned.....	41.6	141	108 100
Frozen.....	5.5	1,375	190 104
Fresh.....	146	105	97 101
Fruits & Juices:			
Canned fruits...	30.8	141	115 100
Canned juices...	14.2	374	89 103
Frozen.....	7.6	950	238 109
Dried.....	4.3	75	102 100

The general outlook for demand for food continues favorable. Consumer purchasing power is expected to continue for some months near present levels. USDA will continue to support the prices of certain basic commodities by loan and purchase programs, probably distributing fairly substantial supplies for school lunches and for public institutions as well as for export. Foreign demand for U. S. food is not strong, but various financial programs to aid exports are in operation. Accordingly, exports of farm food products may approximate those of a year earlier. Military takings of food may also be about the same as in the second half of 1953.

#### Fishery Products

U. S. civilian consumption of fishery products per person during the first half of 1954 was slightly smaller than a year earlier. The reduction came mostly in canned fish.

Commercial landings of fish and shellfish through about midyear were at least as high or perhaps slightly higher than in the same months of 1953. Heavier landings of tuna this year than last were the outstanding feature in the over-all production situation during the first half of 1954.

Less canned fishery products are available now than last summer.

#### Fruit

Total supplies of fresh and processed fruits are expected to be somewhat larger this summer and early fall than in this period of 1953.

Consumption of canned fruits in 1954 is expected to be about the same as the 1953 rate. On June 1, 1954, total packers' stocks of nine items of deciduous fruits were about 5 percent larger than a year earlier. Wholesale distributors' stocks of five major items were about the same as on June 1, 1953.

The 1954-55 pack of canned fruits probably will not be greatly different

from the relatively large 1953-54 pack. Increases seem likely in canned apples, figs, and pears. But decreases are probable in apricots and sweet and sour cherries. Supplies of most items of canned fruits are expected to continue large at retail prices much the same as in 1953.

Consumption of canned fruit juices in 1954 may average a little above the 1953 rate of nearly 14 pounds per capita. The increase will be in citrus juices, of which this year's packs are running larger than in 1952-53. With the large supplies of both canned and frozen citrus juices on hand, prices for the canned juices are expected to continue lower this summer than last.

Production and consumption of frozen fruits and fruit juices are continuing to trend upward in 1954. Per capita consumption in 1954 is tentatively estimated at about 10 percent higher than in 1953. Thus far in 1954, consumer purchases of frozen orange concentrate and lemonade have been much heavier than a year earlier.

#### Vegetables

Domestic supplies of fresh and frozen vegetables for the last half of 1954 may be a little larger than a year earlier; those of sweet potatoes about the same. Stocks of canned vegetables are up but packs may be somewhat smaller.

Prospective supplies of processed vegetables for the remainder of the

year are sufficient to maintain civilian consumption at a per capita rate about as large as last summer and fall.

More dry edible beans and field peas will be available for distribution in the 1953-54 marketing year than a year earlier. The 1954 crop of dry beans has been forecast at 4 percent larger than last year's output and that of dry field peas 13 percent higher.

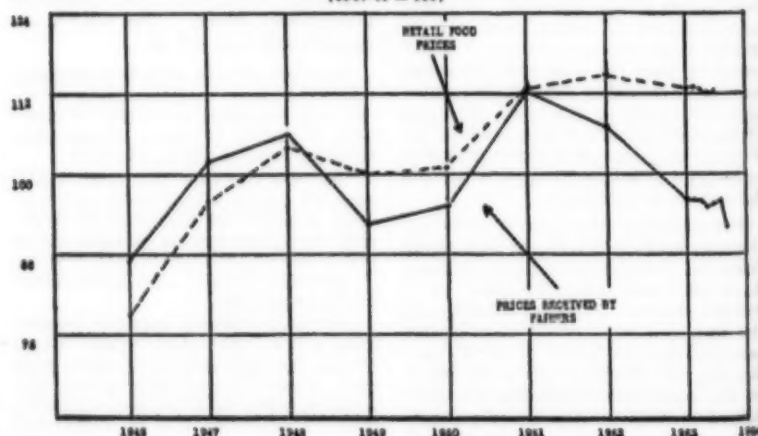
### Price Indexes Show Cannery in Favorable Price Position

The House Committee on Agriculture recently made public a report entitled "Farm Prices and the Cost of Food," which was prepared by the Committee staff with the stated purpose of giving a clear picture of the "extent to which recent farm price declines have and have not been passed on to urban consumers."

Comparisons were made between the index of farm prices for all commodities; farm prices of wheat and retail prices of cereal and bakery products; farm prices of milk and retail prices of dairy products; and "price spreads" of other farm products.

Below is reproduced the chart showing the trend in retail food prices and the prices received by farmers from 1946 to date, as published in the report:

Prices Received by Farmers and Retail Food Prices, 1946 to Date  
(1947-49 = 100)

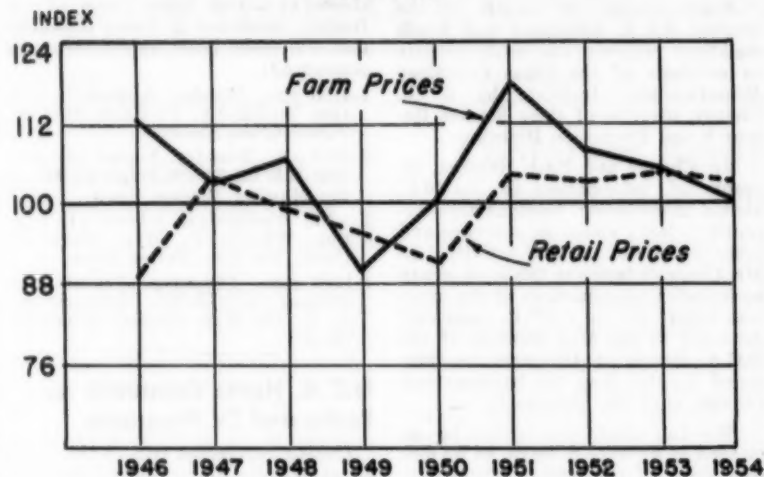


The N.C.A. Division of Statistics has prepared a similar chart showing the relationship between the index of prices received by farmers for fruits and vegetables which they produced for canning and the retail price index

for canned fruits and vegetables. The same scale was used in the chart and the same time period was covered so that the two would be comparable. Following are the N.C.A. chart and supporting data:

Prices Received by Farmers for Fruits and Vegetables for Canning and Retail Prices of Canned Fruits and Vegetables, 1946 to Date

(1947-49 = 100)



Year	Prices Received by Farmers Fruits and vegetables for processing		Retail Prices	
	All com- modities	All food	Canned fruits and vegetables	
1946.....	86.9	112.2	79.0	88.6
1947.....	102.2	104.0	95.9	104.5
1948.....	105.9	106.6	104.1	99.4
1949.....	92.5	89.4	100.0	90.2
1950.....	95.1	100.1	101.2	91.8
1951.....	112.2	118.8	112.6	104.3
1952.....	107.0	108.1	114.6	103.0
1953.....	95.9	105.4	112.8	104.8
1954 (first six months).....	95.1	100.0	112.9	103.6
Average.....	99.2	105.0	103.7	99.6

Sources: Indexes of prices received by farmers from the U. S. Department of Agriculture. Indexes of retail food prices from the Bureau of Labor Statistics, U. S. Department of Labor. a Estimated.

It will be noted that the index of prices received by farmers for fruits and vegetables for canning was above the retail price index for the canned fruits and vegetables in six of the last eight years, 1946-53. In contrast, the index of prices received by farmers for all commodities was above the retail price index for all foods in only three of the past eight years.

The index of prices received by farmers for fruits and vegetables for processing was calculated for the comparable items that are included in the BLS retail price index. For the comparable fruit and vegetable items, the index of farm prices has averaged 105 over the past eight years. The index of farm prices for all fruits and vegetables for processing is slightly higher, averaging about 105.5 over the same period.

The relationship between the retail price of canned fruits and vegetables and the price that the farmer received

for the raw product is more favorable to the canning industry than the relationship between retail food prices and farm prices generally which is shown in the report made public by the House Agriculture Committee.

### Poultry Used in Canning

Poultry canned or used in canning during June was the largest of record for any month since 1943 when records began, according to a report by the Crop Reporting Board of USDA. The total of 27,562,000 pounds compares with 17,026,000 pounds during June last year and the 1948-52 average of 14,596,000 pounds. The previous high record for June was the 17,169,000 pounds canned in 1952.

The quantity of poultry canned or used in canning during the first six months of 1954 totaled 117,438,000 pounds, compared with 96,097,000 pounds canned during the same period in 1953.

## U. K. To Favor Colonies in Future Citrus Purchases

Discussions have recently been concluded in London between the British government and trade delegations from Jamaica and the West Indies concerning the future of the West Indies citrus and banana industries. The following conclusions regarding the citrus industry are reported by the Foreign Agricultural Service of USDA:

"(1) The government will make no further purchase of citrus products from funds made available in the present United States fiscal year under Section 550 of the Mutual Security Act;

"(2) no such purchase will be made under any future program of United States aid without the Colonial Governments being fully consulted in advance of any decision; and

"(3) the government would, if necessary, arrange for the purchase of any unsold balance of this year's export surplus of canned grapefruit from the West Indies at a price based on the average price at which the Ministry of Food sold to the trade during the 1952-53 crop year."

The governments concerned also discussed long-term prospects and risks for the citrus and banana industries and, FAS reports, they will undertake during the next 12 months to formulate schemes to safeguard these industries.

## Snap Beans and Peas for USDA

The U. S. Department of Agriculture has announced acceptance of offers of 235,051 cases of canned green snap beans and 315,826 cases of canned green peas for delivery from August 16 through September 20 for distribution in the National School Lunch Program.

Purchases of canned green snap beans consisted of 196,145 cases of No. 10 at prices ranging from \$3.15 to \$3.65 per case; 38,310 cases of No. 303 at prices ranging from \$2.20 to \$2.35 per case; and 596 cases of No. 2 at \$2.25 per case.

Purchases of canned green peas consisted of 107,962 cases of No. 10 at prices ranging from \$3.11 to \$3.625 per case; and 207,864 cases of No. 303 at prices ranging from \$2.14 to \$2.19 per case.

Transportation costs were given consideration in making acceptances. All of the above prices are exclusive of cash discounts, USDA said.



## Canned Foods for VA

The Veterans Administration has invited sealed bids to furnish the following:

**FRUIT COCKTAIL**—8,875 dozen No. 10 cans, complying with Federal Specification Z-F-481a, Choice (Grade B), heavy syrup, f.o.b. origin or destination; or equivalent in No. 2½ or No. 2 cans. Bids due under S-83 by Aug. 17.

**BEETS, SLICED**—13,250 dozen No. 10 cans, medium size, Fancy (Grade A), complying with Federal Specification JJJ-B-181b and Amendment 1, Style II, f.o.b. origin or destination; or equivalent in No. 2½ or No. 2 cans. Bids due under S-37 by Aug. 23.

**HEAT PURGE**—6,360 dozen No. 2 cans, complying with VA Specification T-VA-S-2015a dated June 10, 1953, f.o.b. origin or destination. Bids due under S-37 by Aug. 23.

## Pineapple Growers of Hawaii

The Pineapple Growers Association of Hawaii elected the following officers recently at the association's annual meeting:

**President**—Elvon Musick, San Francisco (reelected); **first vice president**—R. G. Bell, Alexander & Baldwin, Ltd., Honolulu; **second vice president**—R. E. Searby, Hawaiian Canneries Co., Kapaa; **third vice president**—R. C. Turner, California Packing Corp., San Francisco; **fourth vice president**—R. L. Cushing, Honolulu (reelected); **secretary**—C. L. Queen, San Francisco (reelected); **treasurer**—J. G. McIntosh, Alexander & Baldwin, Ltd., San Francisco (reelected).

## National Kraut Packers Assn.

The National Kraut Packers Association reelected the following officers recently at the annual meeting of the association:

**President**—Alden C. Smith, Shiocton Kraut Co., Shiocton, Wis.; **vice president**—John Stroup, Empire State Pickling Co., Phelps, N. Y.; **secretary-treasurer**—William R. Moore, Oak Park, Ill.

## Article on Fish by C. R. Carry

The Annual Review Number of *Fishing Gazette*, distributed this week, features an article by Charles R. Carry, Director of the N.C.A. Fishery Products Division.

Mr. Carry's contribution reviews progress of canned fishery products during the year 1953, with special attention to the problem of varying yields of fish and shellfish from the sea. The article cites the importance of current research on fishery biology and urges further efforts to ensure that the ocean continue to produce fishery products.

## Promotion Program Described to Glass Container Group

Announcement of details of the current N.C.A. Consumer and Trade Relations program was made recently to members of the Glass Container Manufacturers Institute by R. L. Cheney, director of their Market Research and Promotion Division.

Mr. Cheney and Bush Barnum, director of information of G.C.M.I., visited Association headquarters recently to learn about the coverage and other aspects of the new activity. In Mr. Cheney's letter to the glass group he included reproductions of the progress report on the C&T.R. campaign delivered at the May meeting of the N.C.A. Board of Directors as published in the May 29 *INFORMATION LETTER*, with the statement:

"We felt that you would be as pleased as we were to learn, as we did, that many of the food products currently being promoted in this effort are glass packed, and that wherever it is possible to do so, the policy is to include both canned and glass-packed foods in this extensive promotional effort."

## Canned Foods on TV Shows

Television programs on the theme that canned foods can give mother a vacation in the kitchen by helping her prepare meals that are quick and easy, attractive and nutritious have been booked in four Northeastern area cities during the coming week as part

of the continuing N.C.A. Consumer and Trade Relations program.

The following special canned foods shows at which Mary Crum of the Dudley, Anderson & Yutzky organization will make guest appearances are announced:

4-4:30 p.m., Monday, August 9—Station WCSH-TV, Portland, Me., the Agnes Gibbs Show

2:30-3 p.m., Tuesday, August 10—Station WWLP-TV, Springfield, Mass., the Marilyn Weston Show

1 p.m., Wednesday, August 11—Station WKNB-TV, West Hartford, Conn., the Jean Porter Show

1-1:30 p.m., Thursday, August 12—Station WRGB-TV, Schenectady, N. Y., the Mrs. Kenneth Comstock Show

## N.C.A. Home Economist on Radio and TV Programs

During her recent trip to the West Coast, Moselle Holberg, editorial home economist of N.C.A.'s Home Economics Division, was a guest on several outstanding radio and TV programs.

In Seattle, June 29, Miss Holberg appeared on KING-TV (ABC) on Marguerite De Tillian's "Marketing Magic" program.

In Portland, she was the guest of Kay West, Station KEX (ABC) on June 30, and on July 2 she appeared on Betty Davis' homemaker show on KOIN-TV (CBS).

While attending the American Home Economics Convention in San Francisco, she was interviewed by Ann Holden on KGO (ABC).

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